



Honorable members of the City Council, our distinguished City Manager, City Attorney and City Clerk, all our city staff, distinguished guests and citizens of Chula Vista; - welcome and good evening.

What an honor and delight to report to you tonight on our civic activities over the last year, to express what I believe to be our great challenges and opportunities, and together relish some recent successes. I hope to reflect on our common community values and the objectives we have set together for our city, while illustrating the many things we are doing to achieve them. I would also like to extend some well -deserved praise for exceptional accomplishments to my distinguished colleagues, our city staff and the tremendous citizens of our community.

As we strive to accomplish ambitious projects and initiatives, we must remember to nurture and renew what we already have, the backbone of our city. This means a commitment to invest in repairing and improving the facilities and services our residents deserve and expect as well as laying the



groundwork for the city of tomorrow. It also means of course, a commitment to continuing to improve in greater and more varied ways the openness of our decision-making process and involvement of our citizens. Tonight, I will invite you to view what we have done and are doing to nourish and improve our civic resources, streets, roads, park spaces, services and public amenities. I will invite you to share in our excitement about the many exciting and historic efforts long under way, now making great strides toward becoming reality. I will be frank about the challenges that lie ahead of us, and where we must do better. But most importantly, I will invite you to dream. We as your City Council have many hopes and a great vision for Chula Vista, which we know you share. So while working for the benefit of the Chula Vista of today, we dream also of the Chula Vista of tomorrow, the one we will leave for our children and grandchildren, one which when our work is done and done well, will have both preserved and maintained all the qualities, history and character we cherish, but not passed on its many great opportunities to embrace the future.



Last but certainly not least, I will express to you my passion and strong belief that successful redevelopment in our urban core is essential to our future. It is essential to our future generations. It is essential to prove our sense of fairness and equal opportunity to rescue areas of our community which are in need of renewal so the people who live there may enjoy the lifestyle, amenities and living environment experienced by citizens in other areas of our city. It is essential because Chula Vista must remain one community, one city and not two.

But first we should show our appreciation to some special people, special in particular to some of us on the platform tonight. Could I ask for a round of applause for Ashleigh Padilla, Bliss, Johnny and Grant McCann, and Andrew Castaneda for their great job in leading us in the Pledge of Allegiance.

Lets take a moment as well to thank Westwind Brass for their musical prelude and performing our National Anthem.



All cities and communities should reflect on where they have been, and where they seek to go. From small towns to major metropolitan cities, communities across the nation regularly assess their unique challenges and opportunities.

But few have the diverse and unique resources- human, economic, cultural, and environmental, present in one location, which mature to their full potential at one point in time. Few communities have the untapped resources, available space and emerging economy to impact in such a far-reaching and comprehensive way, their city for generations to come.

As we look to the future we must appreciate the tremendous foundation, which we have to build upon. The value of our location and climate on the Pacific Rim, in the center of a great bi-national region is great and an asset in developing a diverse progressive workforce, attracting jobs and investment and technology.



From land use and energy policy, to environmental conservation and encouraging the arts and commerce, we have distinguished ourselves. Our diversity of people, language and culture is significant. Sadly, for many years, this was looked upon even by some in this region as a negative quality. Chula Vista and South County in general, were at times derided for this diversity and our proximity to the international border. Referred to as a “border town” and sometimes less flattering labels, we proud Chula Vistans have always had somewhat of a collective chip on our shoulders, and rightly so.

In 2004 an internationally regarded professor, writer and lecturer named Richard Florida published his findings about emerging economies and the characteristics successful enterprises had in common. He noted that a rising class of producers and consumers focused on creativity and the engineering of ideas were sprouting from environments and communities, which embraced diversity as an asset and viewed it as a tool of prosperity and productivity. He noted that this group was the new dominant consistent factor in our emerging international economies. Florida found that in



enterprises and communities that did not possess these characteristics the level of creative energy and production that drives our modern economy was absent. Mr. Florida even traced these characteristics and how they will shape future workforces, impact which enterprises will fail or succeed, and which cities and communities will thrive or wither. In case after case, city after city the pattern was clear. Where there existed diversity of people and tolerance and mutual respect for that diversity, there was also investment, economic and social prosperity and a response by new generations to calls to bring their creative talents. It is clear the “creative class” springs from and gravitate to communities that embrace diversity and use it to their benefit. And they clearly move away from communities that do not.

My friends we have lived with these much sought after qualities for years in Chula Vista. It is a model for the nation and the region. Our diversity will always be one of our greatest strengths, we should never be ashamed of it, and we should be proud of it!



There is untapped beauty in our vast bay front, one of the largest in California, home to much of the South Bay Wildlife Refuge. There is charm in our stable established neighborhoods and historic downtown. Along our Third Avenue Village, around which our community grew up lies a great foundation to bring vibrancy and life to many neglected areas of western Chula Vista, and to create a dynamic urban core extending far beyond its origins around Third Avenue. This should go without saying, but I feel the need to say it anyway, we can do this and successfully redevelop neglected areas on Third Avenue while preserving that district's small town charm and appeal.

Our record of planning for communities that can be sustained and are smartly planned around transportation and public amenities is well demonstrated in our many successful master-planned communities and neighborhoods. And of course, rarely does a community have the chance to attract and nurture an institution of higher learning, such as our University Park and Research Center project in the Otay Ranch, near the Olympic Training Center now underway.



Today finds Chula Vista one of the most politically stable, well managed and well regarded communities in the region and the state. While many cities in California are reducing services and raising taxes due to financial difficulties and the recent statewide budget crisis, Chula Vista is increasing funding for public safety, recreation and maintenance services. Our city enjoys a strong and diversified revenue base and our budgets are balanced. In the current and coming fiscal years we have directed over 28 million dollars to local and major street repairs, traffic and sewer improvements, and for park and recreation facilities on the west side of Chula Vista alone.

Our current proposed budget conservatively estimates revenues for fiscal year 2006 to increase by 17.3 million dollars (12.5%) over fiscal year 2005 levels and in fiscal year 2007 by 6.2 million dollars (4 %). Due to prudent fiscal planning and management, our city was able to absorb negative budget impacts due to increasing retirement contributions we pay on behalf of our employees to the California Public Employee Retirement System, and a two year budget agreement worked out with the State to help it balance its



budget. Despite costing Chula Vista 3.6 million dollars in fiscal years 05 and 06, we were able to absorb the loss and maintain our General Fund Reserves above the set City Council policy that reserves should never drop below 8% of our operating budget.

The budget agreement was the result of hard work between the state government and the League of California cities. It happened due in no small part to local government professionals rolling up their sleeves, standing their ground and staying focused until an agreement was reached. Under the agreement, cities gained unprecedented protection from future raids on local revenues. Our own city manager David Rowlands played a leading role among our regions city administrators on this issue and we should show him our appreciation for his leadership and work. Well done, Mr. Rowlands.

A few years ago, our City Council adopted a set of strategic themes and objectives that outline what we believe reflect our community's values priorities and objectives. Our budget resources are organized around achieving results for programs and projects that further these goals. I would



like to invite you to view with us some of the efforts which have been completed, are now underway and which are scheduled for completion in the coming budget cycle.

Maintaining a connected, balanced and cohesive community means good housing, jobs, facilities and amenities for Chula Vistans old and new, east side and west. It means creating a true downtown and heart of our community centered around our city's historic origins and which is thought of as such by all our residents, a place which draws all of us together. This is clearly not the case today, but it must be the case tomorrow. It is critical to our survival both economically and socially, as a city.

We can foster this connection and balance by increasing public input and participation in the government process, laying the groundwork for much needed quality redevelopment and improving transportation and mobility.

In the last two and a half years, your city government has conducted more public workshops, conducted more public hearings, established more civic



advisory boards and panels and received more input and information from the public on major issues than at any time in its history. Our decision making process has never been more proactive, open and transparent than it has been since I took office as your Mayor. The City Council and I are very proud of this fact and are committed to maintaining these standards of public participation and input. The last year saw the near completion of our public input process on our city's General Plan Update, the culmination of more than 3 ½ years and of more than 70 public workshops and committee meetings and hundreds of hours of community dialogue. I want to thank the many members of our citizens advisory committee who have given countless hours of their time from a variety of backgrounds and viewpoints to this endeavor. Let's show them our appreciation.

The past year also saw the creation of a city's speaker's bureau, where elected and administrative officials are made available to the community to speak to audiences around the city on a variety of topics. In the coming year, we will establish streaming video on our city website, and I have requested a \$50,000.00 start up allocation cost in the pending budget



proposal. It is time our citizens can log on and tune in to the council meetings and important workshops in real time. This will eventually enable greater participation by the public in the meetings and workshops via the Internet.

The mobility of our citizens who reside or work in Chula Vista is a constant challenge in a city in the midst of one of the fastest growing regions in the United States. Despite these challenges and periodic frustrations, Chula Vista continues to do its part and more in working to provide the necessary transportation to support our growing community.

Our land use policies placing multi-family and higher density residential housing around dedicated transportation networks have gained national attention, such as the first completed village in Otay Ranch, Heritage Village. Here commercial and retail businesses are co-located near high-density residential housing and public facilities are oriented around convenience and walk-ability for residents. It is not a solution to



transportation demands, but a good start, allowing most of the total land in the Otay Ranch to be set aside as open space, park land and preserve.

Improvements connecting some of our busiest surface streets to our freeways are underway citywide. The I-805 and Olympic Parkway interchange while admittedly at times a frustrating inconvenience, is a necessary 21.8 million dollar investment to improve the ease of access and traffic flow. The widening of lanes leading to the I-805 at west bound “H” street is now followed by the addition of new lanes to the northbound entrance ramp, a 3.3 million dollar investment in partnership with the California Department of Transportation. Improvements are slated for lanes at the I-805 and Main Street as well as for completion of widening and access from Telegraph Canyon Road to the I-805.

The construction of the SR-125 by California Transportation Ventures, long supported by the City of Chula Vista, is now underway. Signs of its progress can be seen at Proctor Valley Road, Otay Lakes Road, and Olympic Parkway. When completed, this critical piece of roadway will facilitate



movement of people and goods through the eastern portion of our city, easing the commute for residents and workers there and supporting new commercial centers with quality retailers restaurants and businesses our citizens have desired for many years.

On the issue of our transportation needs, we should recognize and thank Councilman Jerry Rindone for his wealth of experience and regional leadership on transportation issues region-wide.

Another strategic goal for the council is to maintain strong and safe neighborhoods. To me, this means supporting our law enforcement and public safety professionals to integrate their skills across the community in broader ways, pointing out the relationship between education, poverty, home life, crime and disease. It means giving them all they need to do the job in the way our citizens deserve and expect. New fire stations such as station #6 were completed and station #8 is slated for fiscal 2006.

Additional resources have been allocated to the police and fire departments



to support staffing levels, and provide the finest modern equipment and training.

Recently, a series of unfortunate violence in areas of western Chula Vista contributed to a growing sense of unease and concern that demanded attention. While we know our overall crime rates in Chula Vista are in decline, there are still disparities between incidents of crime and violence in our older western areas and our newer communities east of I-805.

When the City Council drew attention to this issue, the men and women of our police department responded. Operation Safe Neighborhoods provided a focused enforcement and prevention effort in areas plagued by criminal activity, and soon contacts, arrests and prevention efforts were paying off. I want to thank Chief Emerson and the police department for their response to these issues, and also Councilman Steve Castaneda for his strong leadership in bringing attention and a call to action to it.



In an on going collaboration with the elementary school district, the STRETCH and DASH programs provide structured quality programs to assist students with education and social skill development in after-school programs which go beyond leisure and recreation. The programs have been well received, are free and are being expanded adding new schools to the programs. These programs represent a commitment by the city and elementary district of 2.5 million each on an annual basis, and the kind of positive collaboration between cities and school districts necessary for any community to thrive.

We have continued this year to enhance our code enforcement efforts adding planning and legal staff to our inspectors. The codes which protect the health safety and welfare of our citizens are only as good as their enforcement. I will continue to be an advocate for increased staffing and directed enforcement in these areas, particularly with regard to inspections of mobile home parks, where in many cases our most elderly and vulnerable residents reside.



During fiscal years 05 and 06 we will see the opening of nine new parks and three recreation centers for use by our community, including Veterans Park in August of 05, and Montevalle and Salt Creek Community Parks in April of 2006. Speaking of Montevalle Community Park, it will feature universally accessible play equipment to serve the needs of disabled children. It will be one of only four such facilities in the region. These facilities happened as a direct result of the leadership and efforts of Councilman John McCann. Well done, John. The opening of the new parks and recreation centers represent an investment of over 55 million dollars for facilities.

Rounding out our capital projects are additional improvements and renovations many of which are also focused on our older neighborhoods and commercial areas. The construction of Harborside Park in FY 2006 will be the first new west side park in over 25 years. Renovations and improvements to our Civic Center and South Chula Vista Branch libraries, the Women's Club, the Otay Recreation Center and to the Chula Vista



Nature Center enhance the quality of their educational value to our citizens, particularly our children.

This past year marked the start of the next step in realizing our dreams on our bay front. The financial and environmental study needed to allow approval of the land use plan adopted by the city and the Port of San Diego has begun and must be successful.

I believe also that in order to have success on our bay front; we must keep our most intense land uses away from our most sensitive lands and habitat, while placing the least intense uses as a buffer to them. The collaboration between the Port, our city, the business and environmental communities, and workers in the building trades has been unprecedented and very productive. We dare not do anything to jeopardize that coalition of broad support. We must work together to make sure a necessary land swap of port land for city land takes place so we can implement a plan that makes sense, both economically and environmentally.



Imagine for a moment a bay front with more park and open space than all the Port tidelands put together. A bay front with restaurants and public spaces, increased public access, and expanded marina and recreation facilities. Imagine finally a conference center for civic functions that attracts business from around the nation to our bay front and world-class hotels to accommodate guests. This is a great vision and it is attainable. The plan is clear. The process is moving forward, and investors and interested parties are watching closely, ready to invest in our bay front, to turn the plans into reality. We have and are truly making more progress toward realizing our bay front dreams than we have in many years.

It is also an economic reality that some residential and professional uses will be necessary for inclusion in the mix. Our friends in the environmental community acknowledge this. I do agree with them however that the number of residential units on our bay front should be reasonable, conservative and only enough to contribute to the viability of the project – and no more. We have to remember our bay front is as much a community asset as it is a private investment.



And while we are speaking of the bay front, imagine it without those unattractive high voltage power lines and the towering structures that support them overhead. When I addressed you last, our city was in the midst of a conflict with SDG&E over protecting our rights as a city to pursue municipal energy options to benefit our community. I am pleased to report we ended 2004 with an agreement to attain the under-grounding of those lines before the end of 2008. In addition, we secured the value of a franchise agreement with SDG&E, which exceeds 100 million dollars in value to the city. The city will have the benefit of new spaces for parks, a portfolio of over 10 million dollars to renewable energy programs and incentives, all without surrendering our ability to pursue new options for purchasing cleaner, cheaper energy if and when they present themselves. Chula Vista has become a leader statewide in advocating for cities and communities on issues of good energy policy and consumer protection.



I want to extend a special thanks to Michael Meecham our Director of Conservation and Environmental Services and our City Attorney Ann Moore who played critical roles in bringing that agreement into reality.

Many of these efforts I have pointed out focus on the tangible, the brick and mortar aspects of backbone facilities and services we seek to provide and improve. But we also strive to support the true nature of a community, the people who live and work here, their ability to expand their minds, express their talents and form bonds with their neighbors. The true nature of a community is determined by how we relate to one another, identify with and support one another.

Last holiday season we embarked on a program with the Chula Vista Elementary School District and sponsors like Wal-Mart, Vons, SDG&E, Washington Mutual and Mountain West to emphasize reading at home, and the importance of civic involvement. The Give-a-Book program, together with the 26,000 students in our elementary school system raised more than 100,000 new and gently used books. These books will benefit children who



are in difficult circumstances and provide full children's libraries to programs serving under privileged children in our community. Tonight we are pleased to welcome and recognize Ms. Martensen's 4th grade class from Chula Vista Hills Elementary School, who raised 1,209 books, the most books of any class in Chula Vista. Great job guys!

Speaking of great guys, I would be remiss if I did not acknowledge two great friends of mine, who are also great friends of Chula Vista, Robert Ware and Todd Molino. They were the creative talent which helped put together Give-A-Book. Despite the fact they reside in Florida, it is an annual tradition for them to attend our Starlight Yule Parade each December, and last year they made it snow on Third Avenue to help promote Give-A-Book. They also visited most of the schools in our elementary district speaking to children about the program and the importance of reading. Todd and Robert continue to work with other organizations to promote literacy and provide access to reading material to every child. Give-A-Book was an incredible success; let's show them our thanks and appreciation.



We recognize tonight also the special contributions of special citizens.

Chula Vista city employee David Lopez was just recognized by the Chula Vista Police Department and presented the Citizen Exceptional Service Award for performing acts involving significant risk of personal injury in order to help others.

Last November 18th, an elderly woman, a block from home and on a morning walk following a night of caring for her terminally ill husband, was struck and killed by the driver of a pick-up-truck. Witnesses say the suspect drove across opposing lanes on “J” Street, onto the sidewalk, striking down the elderly victim. The driver had lost control after a night of drug use and it was later learned the driver and companion were on their way to buy more drugs when the crash occurred.

Witnessing another citizen coming to the scene to help and attempting to confront the suspect, Mr. Lopez at great risk to himself physically confronted and detained the suspect. This selfless act is an example of true



community character. David Lopez is here tonight with his family. Let's honor Mr. Lopez and his family.

Another important part of the true fabric of community is creativity, history, culture and access to the world of thought as expressed in our libraries. These wonderful resources sustain our commitment to expression, knowledge and education. We are blessed to have an incredible library system, staff and a community that supports them. We have increased this year our commitment to our base materials budget, which will result in the addition of over 7,000 new books to our library, particularly the Civic Center Branch. Great collaborations have taken place between the City of Chula Vista and the County of San Diego to provide library facilities as well. We see the progress today of the new county library near the Chula Vista Municipal Golf Course in Bonita, thanks to the leadership of County Supervisor Greg Cox.



Speaking of educational value – our efforts to bring an institution of higher learning – a University Park and Research Center – have made incredible progress. This past year we identified educational partners to build a model of how a collaborative university with institutions providing university programs in varying disciplines can work together on a shared campus.

The University would compliment a research institution focused on international public policies for which Chula Vista has gained notice, land use, energy and environmental preservation, and provide as well a resource for future commercial partners in industry related to that research and education. We have welcomed institutions public and private, from the United States and Mexico to sit with us as partners in this historic endeavor. We are blessed to have put together a distinguished Blue Ribbon Committee of experts in the fields of academia, finance and public policy to guide the next phase of our process.

I would like to thank and recognize the Chairman of our Blue Ribbon Committee, Dr. Lee R. Kerschner, Vice Chancellor Emeritus of the



California State University. I want to also recognize Council members Jerry Rindone, John McCann and former Councilwoman Mary Salas for their efforts and leadership on our University project.

Now to the critical decisions which we must make together to secure our future. The older established areas of Chula Vista, frequently referred to as the “west side” frankly hold both peril and promise. In order for us to address the important challenges there as well as nurture and protect western Chula Vista’s great assets, we must be willing to confront some simple truths.

Fellow Chula Vistans, our economic prosperity is no accident. It is directly tied to the fact we have positioned ourselves through our policies to take advantage of the constant need for housing which is present in southern California and indeed the entire southwestern United States. In our master planned communities we have provided a broader variety of housing for our community, preserved open space and provided parks, provided new streets and sidewalks and public amenities. Our economic base is strengthened by



the presence of new industries such as electronics and pharmaceutical research, bringing high paying jobs to Chula Vista. Our city's finances are healthy because we have wisely embraced the realities around us with creativity and high standards, instead of turning away.

But Chula Vista runs the risk of being also a tale of two cities, as there are also many areas in decline. Our city's west side has many charming attributes deserving of our pride, protection and enhancement. There are the beautiful stable single-family neighborhoods many containing historic architecture, which remind us of our rich past. There is the charming village feel and appeal of Third Avenue, the true heart of our community.

But the average income of people living in western Chula Vista is well below the citywide average and less than half that of those living in the east. While our city as a whole is diverse, an even mix of people of all backgrounds and cultures, our citizens in the west are predominantly Latino. While many may think our west side residents would be primarily senior



citizens, they are not. Their average age is 32 years old and they work in skilled labor or trades.

Much of their community's infrastructure - such as roads, sidewalks and facilities are aging and in need of repair and maintenance. The ratio of home ownership in the west is very low compared to our residents in the east. And sadly, the crime rate in the west is nearly double what it is in the east.

So who are the citizens of the west side? They are young, they are Latino. They are laborers who rent and do not own. They live in many cases in areas with a shortage of park space and public amenities, and where crime is more of a worry than it rightly should be. What about their future? What about their opportunities for housing and the American Dream? Isn't it time we gave to the west, what we have given to the east? Isn't it time we stopped talking about efforts to make Chula Vista a united city and did something about it?!



But how do we get there? We get there by harnessing the power of economic investment and appropriate redevelopment. We expand as we have, our redevelopment areas which should be characterized as areas in need. We create a better and MORE accountable process for redevelopment such as creating the Chula Vista Redevelopment Corporation, where our activities are governed more by our elected representatives who are directly accountable to our citizens and less by un-elected beaurocrats. And yes, we must and will continue to include in that new process our citizens and citizen volunteers to provide ample opportunity for citizen input and participation in every plan, every project and every decision.

I want to single out my friend and colleague Patty Davis for her strength and commitment to these issues. Particularly on housing, sharing that burden region wide and on developing a better Redevelopment process, Patty has been a rock. Patty also represented us well in Japan, leading a delegation to our sister city there, Odawara. Thank you patty for your leadership and strength.



Change is often necessary but never easy. But Chula Vista has never failed to rise to the occasion in the past, and I believe we will not fail our future. Much debate has ensued on the issue of redevelopment and some of what has been said and suggested is simply untrue.

We certainly do not envision, a downtown Chula Vista reminiscent of Gotham City, a metropolis of towering skyscrapers blocking out the sun. But we also know that through good redevelopment, and careful planning, we can bring better housing, jobs, facilities, services and opportunities for our citizens. This means we must have the best plans in place, which allow us to harness the economic benefits of new investment, housing and jobs. It must be a plan which takes us forward and not backward, a plan that doesn't downzone and make permanent the inadequacies we have there now, and apply one-size-fits all restrictions on projects citywide. It must be a plan that recognizes there is room in Chula Vista for the right mix of densities, bulk and design. We just must continue to work together to find the right mix. There is truly room for something for everyone in the downtown Chula Vista of tomorrow.



Much has been said about the character of a community. I can tell you what community character means to me. It means not allowing the continuing social, environmental and economic inequities between east and west to continue. It means being true to our sense of social and environmental justice to give the kind of quality living environment we have given to our new neighborhoods to our established ones. It means never shrinking from any opportunity to gain new community benefits from redevelopment. It means better quality housing, new jobs and professions operating in the west, new public streets, sidewalks, park spaces and public amenities. It means restaurants and sidewalk café's instead of tattoo parlors and problem low rent motor motels draining police resources.

It means really creating that special place, that heart of our community that draws people young and old, and east and west together. We can do it together, because we have done it before.

When I took office as Mayor, our bay front planning process was going nowhere. All community stakeholders and private stakeholders were talking



past each other and not with each other. Today, that collaboration between our community stakeholders is historic and bringing results. I have faith in this community and we will get this job done!

We will get it done if we remember good planning for redevelopment is really all about community benefit. I have asked in our Urban Core Specific Plan sub-committee and will ask the City Council to direct that a Community Benefit Component be included in our General Plan Update and our Urban Core Specific Plan, spelling out, quantifying and committing to the benefits economic, social and in facilities which our community will get in return. Good redevelopment will never mean so long as I am your Mayor, developers taking their profit and leaving nothing for our community. Good redevelopment on our west side will be a community benefit endeavor, or it will not be endeavored at all.

So picture tonight that great community of diversity and creativity and good city planning. See our great bay front with its amenities and park space, leading to a renewed and thriving downtown surrounding our quaint Third



Avenue Village. Cross the I-805 to our recognized master-planned communities, our community college, the University Park and Research Center, and beautiful Otay Lakes and our Olympic Training Center, with our entertainment venues likes Knott's Soak City and Coors Amphitheatre. See our green belt from the bay to the Otay Valley Regional Park, from Otay Lakes to the Bonita Valley. Chula Vista, see the future from here.

Last year I reminded us that this is our time and we must seize the moment. That moment is still upon us; let's continue to seize it together. Thank You. God Bless You, and Goodnight.